

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities:
Investment Auto Submission Date: 2012-02-23
Date of Last Investment Detail Update: 2012-02-23
Date of Last Exhibit 300A Update: 2012-07-23
Date of Last Revision: 2012-07-23

Agency: 009 - Department of Health and Human Services
Medicaid Services

Bureau: 38 - Centers for Medicare and

Investment Part Code: 02

Investment Category: 00 - Agency Investments

1. Name of this Investment: CMS Modernized IT Infrastructure

2. Unique Investment Identifier (Ull): 009-000001902

Section B: Investment Detail

- Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

The CMS mission is to ensure effective, up to date health care coverage and to promote quality care for beneficiaries. The Agency works with the health care community to improve the quality and efficiency in beneficiaries' programs, services, and care, and to promote the fiscal soundness of an evolving health care system in the United States. Today, CMS uses significant data center capacity provided by industry to support the IT Infrastructure requirements of the agency. The Baltimore Data Center (BDC) and the two Enterprise Data Centers, EDC1 and EDC2 are key IT Infrastructure resources utilized by CMS to meet its overall mission. All three data centers are currently operated under two separate contracts which limits competition and impedes coordination across all three of these data centers. CMS will reconcile these issues by bringing the three aforementioned data centers and additional data centers, currently operated outside the auspices of the CMS, Office of Information Services, under the umbrella of a single procurement vehicle. Toward these ends, CMS proposes the development of a comprehensive Virtual Data Center (VDC) ID/IQ that will expand upon concepts garnered from the existing EDC ID/IQ and ESD ID/IQ models. This investment supports that effort. Currently there are approximately 100 contractors working for CMS at approximately 200 sites. Under the VDC Strategy, OIS plans to award contracts to multiple companies. The VDC will support ongoing CMS efforts to consolidate CMS data

center workloads and to comply with government-wide initiatives for cloud computing by offering cloud-like services through the VDC. The VDC aligns with all four high-level goals of the Federal Data Center Consolidation Initiative (DCCI): promote the use of Green IT by reducing the overall energy and real estate footprint of government data centers, reduce cost of data center hardware, software and operations, increase over IT security posture of the government, and shift IT investments to more efficient computing platforms and technologies. As a result of this approach, we anticipate that all CMS work will be running in a much lower number of data centers within the next ten years. The VDC provides the IT environment that supports all CMS claims and processing investments as well as many other investments.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

This investment puts CMS in a better position to meet the growing demands on the agency (DCCI, ARRA, ACA, OMB 25-Point Implementation Plan, increasing beneficiary population, etc.), adhere to the increased security requirements, while:

- * Increasing competition, drive down cost amongst vendors and promote innovation while continuing to consolidate CMS Data Center Workloads as appropriate,
- * Establishing the capability to support high availability hosting, backup, and disaster recovery services between CMS Data Centers to maintain continuity of operations
- * Ensuring that all CMS Data Center Workloads adhere to the same contractual requirements for security, architecture and SDLC standards,
- * Providing an enterprise Development, Integration, Test, Validation environment that mirrors the Production environment,
- * Supporting the transformation of CMS into an information-focused organization at the center of the Federal Health Enterprise,
- * Establishing a process that will supports CMS and the Department's efforts to provide fair and impartial opportunity for small and disadvantaged businesses.

If not fully funded, it will slow our progress in consolidating data centers (and reducing costs) and meeting the high-level goals of the Federal DCCI.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

- * Implemented DISA STIG Security Requirement, CA View and SNA HATs,
- * Required and provided Vanguard,
- * Institute robust monitoring, firewalls, and established alert conditions and direct SNMP traffic,
- * Established environment virtualization,
- * Networx migration.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

- * Migration of databases and applications to standardize environments,
- * Upgrade software for standardization,
- * Institute common EFT for data transfer,
- * Leverage virtualization strategies, where applicable, for all new business application and enterprise services hosting needs.

5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology

specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

2010-08-17

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$0.0	\$7.7	\$0.0	\$0.0
DME (Excluding Planning) Costs:	\$11.0	\$28.0	\$0.0	\$0.0
DME (Including Planning) Govt. FTEs:	\$0.0	\$0.2	\$0.0	\$0.0
Sub-Total DME (Including Govt. FTE):	\$11.0	\$35.9	0	0
O & M Costs:	\$400.0	\$93.5	\$109.8	\$108.4
O & M Govt. FTEs:	\$0.7	\$0.4	\$0.6	\$0.8
Sub-Total O & M Costs (Including Govt. FTE):	\$400.7	\$93.9	\$110.4	\$109.2
Total Cost (Including Govt. FTE):	\$411.7	\$129.8	\$110.4	\$109.2
Total Govt. FTE costs:	\$0.7	\$0.6	\$0.6	\$0.8
# of FTE rep by costs:	6	6	6	8
Total change from prior year final President's Budget (\$)		\$20.3	\$0.7	
Total change from prior year final President's Budget (%)		18.52%	0.66%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

The President's Budget is utilized to create funding targets for each of the CMS portfolios, however specific investments may have their funding adjusted to reflect re-evaluated Agency priorities.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	7530	HHSM5000002	HHSM500200600002I	7530							
Awarded	7530	HHSM5000003	HHSM500200600002I	7530							
Awarded	7530	HHSM500T0001	HHSM500200600002I	7530							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

Older contracts do not contain an official EVM clause because it was not required at the time the contract was issued. They do require cost and schedule reporting, which is closely monitored. All new contracts will contain EVM clauses consistent with the latest FAR guidance.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities:

Section B: Project Execution Data

Table II.B.1 Projects					
Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
NONE					

Activity Summary								
Roll-up of Information Provided in Lowest Level Child Activities								
Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
NONE								

Key Deliverables								
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
NONE								

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
Percentage of all daily production batch cycles that complete within their scheduled timeframes.	Percentage	Technology - Reliability and Availability	Over target	99.700000	99.700000		99.700000	Monthly
The average availability of an applicatoin hosted on mid-tier, mainframe, an d FFS platforms.	Percentage	Technology - Reliability and Availability	Over target	99.850000	99.850000		99.850000	Monthly
Percentage of availability of files and online regions by time of day and hours per month.	Percentage	Technology - Reliability and Availability	Over target	100.000000	100.000000		100.000000	Monthly
The average time to answer an inbound call or chat request at the EDC Help Desk.	Time in Seconds	Customer Results - Timeliness and Responsiveness	Under target	22.550000	22.550000		22.550000	Monthly
Percentage of change and problem tickets that are resolved without any further action required	Percentage	Customer Results - Timeliness and Responsiveness	Over target	99.140000	99.140000		99.140000	Monthly